Today, I reluctantly vote against this energy package because it falls to provide any offsets to pay for its provisions. This is a particularly difficult vote for me because this bill contains a proposal I authored and many other good provisions.

In an effort to honor our commitments to ensure financial responsibility, I will adhere to the levels in the budget resolution enacted by a majority of this Congress. I will oppose any efforts that reduce revenues without offsets.

The expenditures contained in H.R. 4 are not accounted for in the budget resolution and, despite sound energy policy this bill promotes, it busts the budget and threatens the Social Security and Medicare Trust funds. I urge my colleagues to honor their commitment to preserve this country's fiscal integrity; I urge my colleagues to either find a way to pay for these tax cuts or to vote no on H.R. 4.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. KNOLLENBERG. Mr. Chairman, I rise to remind my colleagues of a critical provision of H.R. 4, the Securing America's Future Energy Act, which passed this House yesterday. The provision authorizes critical funds for our nation's nuclear engineering education programs, and is identical to a bill introduced by Congresswoman Judy Biggert.

For over 50 years, the United States has been the leader in nuclear science and engineering. However, the energy crisis in California has awakened our nation to energy supply constraints. Nuclear power accounts for 20% of our energy supply and is the key to solving our energy supply needs.

This bill authorizes $240 million over five years for university nuclear science and engineering programs at the Department of Energy.

The supply of bachelor degree nuclear scientists and engineers is at a 35 year low, and the number of universities offering nuclear engineering degrees is half of what it was 20 years ago.

Mr. Chairman, the provision we passed yesterday is a critical foundation for tomorrow's energy supply.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. EVA M. CLAYTON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mrs. CLAYTON. Mr. Chairman, H.R. 4, otherwise known as the Securing America's Future Energy (SAFE) bill, is anything but safe for rural America. This legislation, which was originally designed to encourage energy conservation, energy reliability and energy production, leaves rural America behind and in a cloud of dust. Proving once again that the majority is more intent upon rewarding campaign contributors than in addressing the needs of consumers in rural America.

This legislation, Mr. Chairman, while initially well-intentioned, does not take into account the unique differences that America's rural communities face in an ever-changing electricity environment. Much of rural America is served by not-for-profit rural electric cooperatives, cooperatives that are not in the business of making money, but serving their consumer-owners. These cooperatives do not seek out to price-gouge, but rather they seek to provide reliable and affordable electricity to their consumers in an efficient manner. The bill we are considering will allow investor-owned electric companies that are currently reaping record profits to receive $33 billion in tax breaks for huge companies to spend overseas!

Mr. Chairman, when this body considers industry-specific legislation, it should consider all the unique aspects of the particular industry. Indeed, sound public policy is advanced when the differences between the sectors are taken into account. One important area that this Congress must study more carefully are the differences between the needs of rural America and urban and suburban America. This legislation does not meet this test.

H.R. 4 prevents rural electric cooperatives from participating in the new competitive marketplace. For all our talk about a level-playing field and a competitive marketplace, we fail to foster such a thing by excluding rural electric cooperatives from the same benefits that we provide to investor-owned utilities. It is critical that we provide a level playing field for all sectors of the electric utility industry—municipals, investor owned, and cooperatives—when considering public policy.

Bypassing this legislation, we are in essence saying that one sector of the industry should be favored over another. We are also saying that the electric needs of rural America and American farmers are less important than our population centers. The SAFE bill provides investor-owned utilities with billions of dollars worth of capital gains relief that comes at the expense of higher electricity rates to consumers.

The Congress needs to reconsider this poor public policy legislation and come back after the August recess to address these inequities and finally consider legislation that is good for all of America, urban and rural.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. JIM NUSSLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. NUSSLE. Mr. Chairman, as the House considers H.R. 4, the Saving America's Future Energy Act, I rise to express my concern about an amendment offered by my colleagues from California to exempt their state from the oxygenate requirement of the Clean Air Act.

In 1990, Congress approved the Clean Air Act Amendments to require that gasoline sold in certain areas of the country, including California, contain at least 2 percent oxygen, ''Reformulated Gasoline,'' which can be derived from adding an oxygenate to gasoline. The goal of the oxygenate requirement is to lower pollution in areas of the country that have the highest levels of air pollution.

There are two main substances that are used to meet the oxygenate requirement: Methyl Tertiary Butyl Ether (MTBE) and ethanol, a fuel derived from corn. Following the 1990 law, the Chicago and Milwaukee reformulated gasoline areas chose to use ethanol and, to my knowledge, have not reported any problems with groundwater contamination, but have reported significant improvements in their air quality. Meanwhile, many of the reformulated gasoline areas in California, the Northeast, and several other areas of the country, chose to use MTBE. These areas are now reporting that about 80 percent of their drinking water contains MTBE, which does not biodegrade and which the Environmental Protection Agency (EPA) has classified as a potential human carcinogen.

For the last few years, California and other parts of the country have sought to solve the problem of MTBE groundwater contamination by removing the oxygenate requirement altogether. In fact, the State of California has petitioned both the Clinton administration and the Bush administration to grant a waiver to exempt the entire State from the oxygenate requirement. On June 12, the President opted to deny this request citing that the EPA has determined, time and again, that the addition of oxygen to gasoline improves air quality by improving fuel combustion and displacing more toxic gasoline components.

Mr. Chairman, I believe the only prudent way to address this problem correctly is to replace MTBE in the United States with ethanol. Indeed, the transition for ethanol to reach California drivers is expected to be neither long nor difficult. It is my understanding that California will need 600 million gallons of ethanol annually to replace MTBE. Ethanol producers currently have the capacity to supply 2 billion gallons per year. This year alone, ethanol producers have already begun the process of shipping 150 million gallons to the State, cost-effectively and with no transportation impediments. In fact, letters delivered to California on